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Policy Brief

Global Shifts in Population The Coming Pressures of Immigration

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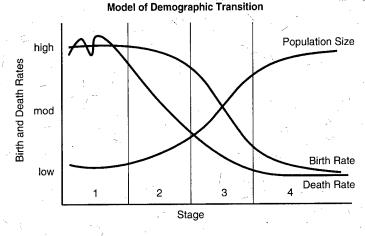
The dynamics of global population growth differ dramatically across the major regions of the world. In the developed countries, the current annual rate of growth is less than 0.3 percent, while in the rest of the world the population is increasing almost six times as fast. These demographic differences, combined with widening economic disparities, are increasing the pressures of migration from the less-developed to the developed world. How the developed countries respond to the growth of immigration pressures will have a major impact on their demographic and economic futures.

Kevin McCarthy's documented briefing World Population Shifts: Boom or Doom? (DB-308, Santa Monica, Calif.: RAND, 2001) places these global demographic trends in the context of a model of the "demographic transition." This model shows how the current dynamic of population growth differs from that of earlier periods and suggests that the world will see increasing pressures for migration to the developed world. The study discusses potential responses to these pressures, points to lessons that might be learned from the debate in the United States (one of the few developed countries with a history of welcoming immigrants), and shows how changing attitudes toward technology and economic growth are complicating the search for the most appropriate policies.

THE DEMOGRAPHIC TRANSITION

Demographers describe the history of population growth in Western Europe in terms of a process of "demographic transition," a model that charts three aspects of population growth. First, the model describes how the separate factors that create growth (primarily births and deaths) interact. Second, it explains patterns of growth in terms of an ordered sequence of changes in death and birth rates. Third, it suggests how migration affects the growth equation. (See the figure in the next column.)

The model divides the history of population growth into four stages, characterized primarily by changing patterns of birth and death rates.



- Stage 1, the situation that has characterized the world throughout most of history, is marked by high death and birth rates. Population levels fluctuate somewhat but there is no steady growth.
- In Stage 2, which began in the West around 1800, birth
 rates remain steady but mortality rates begin to
 decline because of improvements that reduce the toll
 of infectious diseases—the big killer in countries with
 high death rates. Population begins to grow.
- In Stage 3, a continuing decrease in death rates is accompanied by a decline in birth rates. Falling child-hood mortality means that the number of births needed to reach a desired family size drops. In response, fertility rates decline, but the population continues to grow because the number of births in a society is based not only on the number of children each woman bears but also on the number of women of childbearing age. With a disproportionate share of people in the childbearing years, population grows even after fertility rates decline.
- In Stage 4, the situation in the developed world today, there is a rough parity between births and deaths. Correspondingly, the population grows very slowly—if at all. Once a Stage 4 equilibrium of low birth and death rates is reached, immigration becomes the driving force for additional population growth.

Underlying the parity between births and deaths in Stage 4 are a number of behavioral changes. Particularly important is the shift away from a fatalistic view of demographic behavior that sees life's circumstances as a matter of fate to one that sees them as a consequence of free choice. This shift allows individuals to consider how many children to have, what kind of lifestyle to lead, and where to live. Rather than seeking to have many children, parents place more emphasis on having a few well-educated ones, and family sizes decline. Childbearing is sometimes seen as obstacle to self-fulfillment, and significant numbers of couples refrain from having children.

While this model is based on the Western European experience, it also provides a useful point of departure for understanding overall patterns of population growth in the rest of the world. In fact, the only major difference between the pictures in developed countries and less-developed parts of the world concerns the pace of decline in mortality. In the West, this decline and the subsequent drop in fertility were tied to improvements that took effect over approximately 100 years. Since these decreases were relatively gradual, the pace of population growth was also gradual. In the developing countries, however, mortality declined sharply with the rapid introduction of medical technology and improved sanitation. As a result, the pace of population growth in the less-developed world has been much more rapid.

By identifying the mechanics behind population changes, this model provides a benchmark for assessing where countries stand today and where they may be headed in the future. The model also establishes a framework for understanding the role migration can play in the transition. Once a Stage 4 equilibrium of low birth and death rates is reached, immigration becomes the driving force for additional population growth.

FUTURE PATTERNS OF POPULATION GROWTH

During the next quarter century, regions in the early stages of the demographic transition will generate a disproportionate share of worldwide population growth. Sub-Saharan Africa, despite its high death rates, is the world's fastest-growing area, and nearly 60 percent of the population there lives in countries that are either in Stage 1 or Stage 2. The Middle East, the second-fastest-growing region, is somewhat farther along in the transition than Africa. Asia presents a more bipolar picture: About half of its population lives in countries that have reached Stage 4; the other half are in countries at earlier stages.

Latin America is largely in Stage 3. Fertility rates there have dropped substantially, but the youthful age structure of the population still produces rapid growth. Yet the

behavioral changes necessary for progression to Stage 4 have largely occurred and foreshadow the region's advance into the final stage in coming years. North America and Europe, already in Stage 4, are at or below replacement-fertility levels, but their demographic prospects differ because of their different policy approaches toward immigration. North America continues to experience population growth because of immigration, while most of Western Europe, which strongly restricts immigration, is actually losing population.

IMMIGRATION PRESSURES IN DEVELOPED COUNTRIES

The sustained low fertility characteristic of developed countries produces rapidly aging populations. By 2025, for example, the median age of the U.S. population will rise from 34 to 43 years. In Germany, it will increase from 39 to 50 years. One-quarter of the German population will be over 65, and the number of new labor-force entrants will decline by one-third. This phenomenon raises crucial questions about how such societies will support increasing numbers of older people with fewer younger workers and where they will find new entrants into the labor force.

Opening their doors to immigrants from countries with rapidly expanding populations is one response the developed countries might consider. For the time being, such immigration pressures are being resisted as only a handful of developed countries admit immigrants in any substantial numbers. Several European countries admit a small number of refugees for humanitarian reasons, but restrict entry for other immigrants. Japan, which faces the prospect of losing a quarter of its population over the next 25 years, makes little allowance for immigrants.

If these countries decide that their demographic and economic futures depend on adopting more liberalized immigration policies, they will have a number of options to consider. Among these are new "guest worker" programs and regional immigration arrangements, comparable to trade agreements that would allow for reciprocal flows of goods and people across certain borders. But no matter what potential policies are discussed, they will certainly provoke opposition from large segments of the electorate.

In Europe, for example, any liberalization of immigration policies must involve a multilateral response, and an attendant surrender of sovereignty will be opposed on national sovereignty grounds. Furthermore, unlike in the United States, citizenship in most European countries and Japan is based on blood (ethnicity) rather than country of birth (nativity). These countries are ethnically homogeneous and view immigration as a threat to their national

identities. Additional grounds for opposing immigration stem from the fear that immigrants will take jobs from natives and from the security implications of allowing a large number of immigrants to enter a country.

THE U.S. IMMIGRATION DEBATE

Given the complexity of these issues and the fact that most developed countries have no history of immigration, it is instructive to look at the debate about immigration policy in the United States, where immigrants are currently responsible (directly and indirectly) for about two-thirds of total population growth. The debate centers around three key policy questions—how many to admit, whom to admit, and under what conditions to admit them—and focuses on the economic and social effects of immigration.

One important question concerns the distributional effects of immigration—i.e., who wins and who loses. Typically, the winners are employers of immigrants and those who consume services produced by immigrants, while the losers are those who must compete with immigrants in the labor market. A related question concerns the effects of immigration on the public sector: Do immigrants contribute more to the public coffers than they draw in services? Other questions pertain to the integration and assimilation of immigrants into the economy and into American society. Various studies show that immigration clearly has both costs and benefits, depending on the skill level of immigrants and the state of the economy. However, the public debate about these effects is complicated by interest groups that speak on every conceivable side of the issues and make it difficult to distinguish between public and private interests.

TWO WILD CARDS: ATTITUDES TOWARD GROWTH AND TECHNOLOGICAL CHANGE

Further complicating the public deliberations on immigration are evolving views of technological change and

economic and population growth. One view, concerned about the effects of technological change on the environment, questions traditional assumptions about the benefits of technological progress. Proponents of this view suggest that technological innovations driven by the need to sustain population growth may be doing more harm than good. A related view holds that population growth and economic development should be rejected because environmental degradation is too high a price to pay for them. These emerging attitudes are "wild cards" because it is not clear how they will influence the immigration debate. If technological change comes to be widely viewed as more of a problem than a solution, and if population growth is increasingly seen as a threat to the environment, the West will find it more difficult to embrace immigration.

BEYOND DEMOGRAPHICS

The growing pressure on the developed world to admit immigrants will be difficult to resolve. It raises issues that go well beyond demographics. Ultimately, the debate will push the United States and other parts of the West to address central questions about what their societies value most. Furthermore, given today's growing global interdependence, neither the United States nor the other developed countries can solve immigration problems unilaterally. They must consider the consequences of their policies on the larger system of exchange in which they have a central stake. Finally, because social and economic realities change so quickly, it would be wise to promote greater flexibility in immigration policies, allowing them to be adapted to changing conditions. At present, public opinion on all aspects of immigration is poorly informed and volatile. Leadership is needed to frame the issue and clarify the benefits and costs so that informed public opinion can direct the political process toward ends that will ultimately prove useful.

RAND policy briefs summarize research that has been more fully documented elsewhere. This policy brief describes work done for the Population Matters project of RAND's Labor and Population Program and documented in World Population Shifts: Boom or Doom? by Kevin McCarthy, RAND DB-308-WFHF/DLPF/RF, 2001, 43 pp., ISBN: 0-8330-2941-X. Available free from Population Matters. Population Matters is sponsored by the William and Flora Hewlett Foundation, the David and Lucile Packard Foundation, and the Rockefeller Foundation. Population Matters publications and other project information are available at http://www.rand.org/popmatters. All RAND publications are available from RAND Distribution Services, P.O. Box 2138, Santa Monica, CA 90407-2138 (Telephone: 310-451-7002; FAX: 310-451-6915; email: order@rand.org; or the Web: http://www.rand.org/publications/ordering.html). RAND® is a registered trademark. RAND is a nonprofit institution that seeks to improve public policy through research and analysis; its publications do not necessarily reflect the opinions or policies of its research sponsors.

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